

# Free Enterprise

The purpose of a Free Enterprise is to give consumers freedom to make economic choices. The basic characteristics are:

1. \_\_\_\_\_ The drive for the improvement of material well-being.
2. \_\_\_\_\_ The ability for anyone to compete in the marketplace.
3. \_\_\_\_\_ Equal rights to all.
4. \_\_\_\_\_ The right to control your possessions as you wish.
5. \_\_\_\_\_ The right to decide what agreements in which you want to take part.
6. \_\_\_\_\_ The right to decide what and when you want to buy and sell a product.
7. \_\_\_\_\_ The rivalry among sellers to attract consumers.

Consumers: the buyers in the market

Basic Roles:

1. \_\_\_\_\_
2. \_\_\_\_\_

The government should always act in a way to promote the public interest.

Government Roles:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

Video questions about Eminent Domain

1. Is this an appropriate way for government to intervene in the marketplace?
2. Which features of free enterprise does this practice violate?

\_\_\_\_\_ – a situation which goods are not fairly distributed.

\_\_\_\_\_ – income level below which a family can't support themselves

\_\_\_\_\_ – an outside influence that causes economic side effects

\_\_\_\_\_ externality – get something you didn't pay for: like a kid using a park, like a neighbor planting a rose garden in their front yard.

\_\_\_\_\_ externality – not getting something for what you paid for, like schools for single people with no kids, parks not used